BURR FORMAN MCNAIR

Margaret M. Fox
pfox@burr.com
Direct Dial: (803) 753-3293
Direct Fax: (803) 933-1515

Burr & Forman LLP
1221 Main Street
Suite 18[illegible]
Columbia, SC 2920[illegible]

Mailing Address
Post Office Box 113[illegible]
Columbia, SC 292[illegible]

Office (803) 799-98[illegible]
Fax (803) 753-32[illegible]

BURR.COM

June 11, 2021

Jocelyn Boyd
Chief Clerk and Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia SC 29210

Re: Motion to Solicit Comments from Utilities and Other Interested Stakeholders Regarding Measures to be Taken to Mitigate Impacts of Threats to Safe and Reliable Utility Service
Docket No. 2021-66-A

Dear Ms. Boyd:

Attached for filing on behalf of Lockhart Power Company ("LPC"), and in response to Commission order No. 2021-163, please find LPC's Comments in the above-referenced docket.

Thank you for your assistance in this matter.

Very truly yours,

/s/ Margaret M. Fox

Margaret M. Fox

MMF/khh

cc: All parties of Record (via e-mail)

Attachments

THE PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

DOCKET NO. 2021-66-A

In the Matter of:	
South Carolina Office of Regulatory Staff's Motion to Solicit Comments from Utilities and Other Interested Stakeholders Regarding Measures to Be Taken to Mitigate Impact of Threats to Safe and Reliable Utility Service	COMMENTS OF LOCKHART POWER COMPANY

In response to Commission Order No. 2021-163 in the above-referenced docket, Lockhart Power Company ("LPC") respectfully submits the following comments.

Identification of Threats to Utility Service. Assessment of the potential threats to the utility system and evaluation of the risks to safe and reliable utility service. Threats are anything that may destroy, damage, or disrupt utility service.

Comments:

There are a variety of extreme weather events that can pose a risk to the utility system. For the purposes of this docket, our direction is to focus on the potential risk of a severe winter weather event. This is appropriate, because LPC believes that the greatest threat to continuity of electric service is a severe ice storm event that impacts its entire service area and causes widespread damage to its sub-transmission system. Such an event can cause trees to fall onto power lines, power line insulator and other equipment failures, etc. Further, an event with heavy ice and snow accumulation makes access for repairs more difficult and can delay repairs and restoration of service.

Identification of the Impacts to Utility Service. Assessment of the extent to which the threat could impact the utility processes, systems, infrastructure, and end-user customers.

Comments:

The last major ice storm in the local service area was in the year 2000. There was significant icing across the service territory followed by a heavy accumulation snow event. Overall, LPC's processes, personnel, and electric system withstood the storm well; however, LPC has implemented strategies (outlined in later comments) based on lessons learned during that winter event. The severity of an event like the one in 2000 (or like the early 2021 event in Texas) could still cause damage to LPC's poles, lines, and system that would result in some portion of customers being out for multiple days.

Assessment of Vulnerabilities. To what degree will the utility systems and infrastructure be impacted. Vulnerabilities are weaknesses within utility systems, processes or infrastructure.

Comments:

The main vulnerability during a severe winter weather event that causes widespread damage is limited personnel to make the necessary repairs. Since LPC is a smaller utility, its workforce that responds to severe weather events is limited. Of course, the service area footprint that is susceptible to damage is much smaller as well. See above regarding the vulnerability of electric infrastructure to an ice storm event.

Assessment of Risks to Utility Service. An evaluation of the potential for loss, damage or destruction of key assets and resources, and factors that could limit the supply of generation over an extended period of extreme weather conditions for each of the state's generation sources.

Comments:

None of LPC's generation has any impact on the bulk electric system. There is no risk to the state's other generation sources if LPC were to lose all of its generation sources for an extended period of time. LPC's entire system load is fully supported by Duke Energy Transmission at three primary delivery points, which are key assets. LPC can recover from the loss of any one of those delivery points by performing switching operations that would allow load to be served from the remaining delivery points. This is the case regardless of whether any of LPC's generation assets are in service.

Identification of Resiliency Solutions. The plans of the utility to anticipate, prepare for, adapt to, withstand, respond to, and recover quickly from service disruptions. Cost impacts to the utility and customers should be identified. Specifically, the impacts to customer bills due to increases in fuel and other costs should be identified.

Comments:

Right of way clearing, regular inspections, and preventative maintenance are all part of LPC's processes to ensure its electric system is as resilient as possible to a severe winter weather event. There are snow chains and four-wheel drive on all critical equipment that would be needed to respond to a winter storm. The proximity of LPC's workforce (within 40 miles of the main office) and the small size of its electric system (within 45 minutes

of the main office) allows quick recovery from service interruptions. To overcome the small size of its responding workforce, LPC has multiple electrical and right-of-way clearing contractor relationships it can draw upon for personnel and equipment support. When severe weather events are imminent, contractor crews are brought in ahead of, and for the duration of, the storm's impact.

Also, LPC has a variety of generation sources (hydro, landfill gas, solar, and emergency backup diesel) that can provide support to its electric system if Duke Energy's transmission system becomes generation constrained in a winter storm event. Given LPC's renewable profile, there would not be any fuel costs associated with a winter storm event, unless use of the emergency backup diesel generators was necessary (which has never before been the case) – and even then the fuel costs would be relatively minor. As a traditionally regulated utility in South Carolina, there are no deregulated rate schemes that could cause price spikes as occurred during the Texas event. Any cost to make repairs, replace damaged portions of the electric system, and restore service after a winter weather storm would be paid for by the utility. Although LPC would have the ability to request recovery of storm related costs in a regulatory proceeding, to the knowledge of current LPC personnel this has not occurred in at least the last thirty years, if ever.

Identification of Other Federal and State Reliability Requirements. Other federal, state and/or local reliability and resilience requirements including, but not limited to, joint reliability plans or assessments, coordinating agreements, and wholesale purchase agreements.

Comments:

LPC has a full requirements wholesale purchase agreement with Duke Energy under which it has native load status. Please refer to Duke Energy's comments in this docket for reliability and resiliency requirements. LPC is not a Transmission Provider, and therefore is not subject to SERC reliability requirements.

Assessment of Current Utility Processes and Systems to Withstand Potential Ice Storms and other Winter Weather Conditions. Identification and exercises of utility plans, processes, and infrastructure to determine if current utility preparedness plans to ensure utility service meet peak customer demand under extreme scenarios. Identify areas for improvement and steps taken to address the areas of improvement.

Comments:

Current processes are sufficient for responding to severe winter weather events. The Line Department has a winter storm preparation checklist, and the Operations Department has a winter weather preparedness plan. LPC's outage history is a testament to the fact that these plans, combined with its normal work practices, are effective. Even during the ice storm in the year 2000, the vast majority of customers had power restored within 24 - 48 hours. Compared to then, LPC's system is more resilient, and personnel are better equipped for a similar event. Regarding peak customer demand under extreme scenarios, LPC has native load status under its PPA with Duke Energy to meet peak demand in all scenarios.

Although LPC believes it is prepared for a severe winter storm, its continuous improvement culture requires it to look for cost effective means to improve reliability and resiliency. One example is investigating the use of drone inspections on LPC's sub-transmission system. The aerial vantage point would allow the ability to see the infrastructure from an angle that cannot be seen during current ground inspections. Drone inspections may identify potential weak points or issues that would be exacerbated during a severe winter storm event.

Identification of Best Practices, Lessons Learned and Challenges to Utility Service. Information related to reliability, lessons learned from similar experiences, and challenges of the provision of safe and reliable utility service under extreme weather conditions and other threats.

Comments:

LPC has a long history of responding to service interruptions and severe weather events with great expediency. Although it was not perfect, the response to the regional ice storm event in 2000 was very good. In the last 10 years, there has not been any customer without power for more than 24 hours due to winter weather events. The LPC service area has a relatively low population density, so the number of customers impacted by any single issue is lower than for larger utilities with areas of higher population density. There were several lessons learned from the ice storm in 2000. All 34kV sub-transmission right-of-ways are now cleared 35+ feet on either side, which is more than twice the standard clearing limit for that voltage. Also, all critical equipment is now equipped with four-wheel drive and winches. To be prepared for severe winter weather storms, LPC will continue to be diligent in the processes that have served

it well for decades, as well as look for new ways to make its electric system more reliable and resilient.

Respectfully submitted,

/s/ Margaret M. Fox

M. John Bowen, Jr.
Margaret M. Fox
Burr & Forman LLP
Post Office Box 11390
Columbia, South Carolina 29211
(803) 799-9800
jbowen@burr.com
pfox@burr.com

Attorneys for Lockhart Power Company

June 11, 2021

Columbia, South Carolina

THE PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

DOCKET NO. 2021-66-A

In the Matter of: **South Carolina Office of Regulatory Staff's Motion to Solicit Comments from Utilities and Other Interested Stakeholders Regarding Measures to Be Taken to Mitigate Impact of Threats to Safe and Reliable Utility Service**	**CERTIFICATE OF SERVICE**

This is to certify that I, Kathy H. Handrock, a Paralegal with Burr & Forman LLP, have this date served one (1) copy of the Comments of Lockhart Power Company ("LPC") in the above-referenced matter to the person(s) named below by causing said copy to be electronically mailed to the e-mail address on file with the Public Service Commission:

Carrie Grube-Lybarker, Esquire
SC Department of Consumer Affairs
clybarker@scconsumer.gov

Benjamin P. Mustian, Esquire
Office of Regulatory Staff
bmustian@ors.sc.gov

Courtney E. Walsh, Esquire
Nelson Mullins Riley & Scarborough LLP
court.walsh@nelsonmullins.com

Matthew W. Gissendanner, Esquire
Dominion Energy South Carolina
Matthew.gissendanner@dominionenergy.com

Jenny R. Pittman, Edquire
Office of Regulatory Staff
jpittman@ors.sc.gov

Amber D. Daniels, Esquire
SC Public Service Authority/Santee Cooper
amber.daniels@santeecooper.com

Heather Shirley Smith, Esquire
Duke Energy Carolinas
Duke Energy Progress, LLC
Heather.Smith@duke-energy.com

Rebecca J. Dulin, Esquire
Duke Energy Carolinas
Duke Energy Progress, LLC
Rebecca.Dulin@duke-energy.com

K. Chad Burgess, Esquire
Dominion Energy South Carolina
chad.burgess@dominionenergy.com

Roger P. Hall
SC Department of Consumer Affairs
rhall@scconsumer.gov

Stephen R. Pelcher, Esquire
SC Public Service Authority/Santee Cooper
srpelche@santeecooper.com

Weston Adams, III
Nelson Mullins Riley & Scarborough LLP
Weston.adams@nelsonmullins.com

Derrick Price Williamson, Esquire
Spilman Thomas & Battle, PLLC
dwilliamson@spilmanlaw.com

John H. Tiencken, Jr., Esquire
Tiencken Law Firm, LLC
jtiencken@tienckenlaw.com

Rion D. Foley, Esquire
Burr & Forman LLP
rfoley@burr.com

Stephanie U. (Roberts) Eaton, Esquire
Spilman Thomas & Battle, PLLC
seaton@spilmanlaw.com

T. Richmond McPherson III, Esquire
McGuire Woods LLP
rmcpherson@mcguirewoods.com

Christopher S. McDonald, Esquire
Tiencken Law Firm, LLC
cmcdonald@tienckenlaw.com

Frank Partridge, Jr.
frankpartridge@1stcounsel.com

Karen L. Hallenbeck, Esquire
Tiencken Law Firm, LLC
khallenbeck@tienckenlaw.com

Scott Elliott, Esquire
Elliott & Elliott, P.A.
selliott@elliottlaw.us

/s/ Kathy H. Handrock
Kathy H. Handrock

June 11, 2021

Columbia SC